



State of Utah

Department of  
Natural Resources

ROBERT L. MORGAN  
*Executive Director*

Division of  
Oil, Gas & Mining

LOWELL P. BRAXTON  
*Division Director*

OLENE S. WALKER  
*Governor*

GAYLE F. McKEACHNIE  
*Lieutenant Governor*

August 5, 2004

Gregory Hahn  
Summo USA Corporation  
Denver Center Bldg, Suite 900  
1776 Lincoln Street  
Denver, Colorado 80203

Subject: Updated Reclamation Surety, Summo USA Corp., Lisbon Valley Copper Project, M/037/088, San Juan County, Utah

Dear Mr. Hahn:

On July 30 2004, we received the updated Reclamation Contract for the Lisbon Valley Copper Project. The contract now shows 18.845 total acres of disturbance for this project, involving BLM, SITLA & FEE lands. Three Certificates of Deposit are posted as reclamation surety for the entire site, (Zions Bank - \$124,200, Wells Fargo Bank - \$12,100 and \$26,000).

We have enclosed a copy of the signed and executed Reclamation Contract with a copy of all three CD's for your files. Also enclosed is the original existing Reclamation Contract with the effective date of May 12, 2004 for your disposal.

Thank you for your cooperation, in keeping your mine permit current. I look forward to meeting with you and Mr. Pat Gochnour on August 11<sup>th</sup> at 10:00 a.m. at the Division offices.

Sincerely,

Daron R. Haddock  
Permit Supervisor  
Minerals Regulatory Program

DRH:jb

Enclosures: copy of MR-RC & 3 CD's

Original MR-RC effective date of 5/12/04

O:\M037-SanJuan\M0370088-LisbonValley-Summo\Final\RC-CD-08052004.doc

cc: opie Abeyta. BLM  
Will Stokes. SITLA

File Number M/037/088  
Effective Date Aug 4, 2004  
Other Agency File Number U/M-72499  
ML-17661 & ML-20569

**STATE OF UTAH**  
**DEPARTMENT OF NATURAL RESOURCES**  
**DIVISION of OIL, GAS and MINING**  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5291  
Fax: (801) 359-3940

**RECLAMATION CONTRACT**

---ooOoo---

For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.) (Mineral Mined)	M/037/088 Copper
"MINE LOCATION": (Name of Mine) (Description)	Lisbon Valley Copper Project 18 miles south of La Sal, San Juan County, Utah
"DISTURBED AREA": (Disturbed Acres) (Legal Description)	18.845 Acres <u>(refer to Attachment "A")</u>
"OPERATOR": (Company or Name) (Address)	Lisbon Valley Mining Co. LLC By: Summo USA Corporation, Manager Denver Center Bldg., Suite 900 1776 Lincoln Street Denver, CO 80203 303-861-5400
(Phone)	

**RECEIVED**  
**JUL 30 2004**

"OPERATOR'S REGISTERED AGENT":

Name)  
(Address)

(Phone)

CT Corporation  
50 West Broadway, 8<sup>th</sup> Floor  
Salt Lake City, Utah 84104  
801-531-7090

"OPERATOR'S OFFICER(S)":

Gregory A. Hahn, President  
John Labate, V.P. & CFO  
Summo USA Corporation

SURETY":

(Form of Surety – Already on Deposit)  
(Amended Surety for this Request)

#1 - Certificate of Deposit (\$124,200)  
#2 - Certificate of Deposit (\$12,100)  
#3 - Certificate of Deposit (\$26,000)

"SURETY COMPANY":

(Name, Policy or Acct. No.)

#1 - Zions First National Bank  
~~XXXXXXXXXXXXXXXXXXXX~~  
#2 – Wells Fargo Bank N.A.  
~~XXXXXXXXXXXXXXXXXXXX~~  
#3 – Wells Fargo Bank N.A.  
~~XXXXXXXXXXXXXXXXXXXX~~

"SURETY AMOUNT":

(Escalated Dollars)

\$162,300

"ESCALATION YEAR":

2007

"STATE":

"DIVISION":

"BOARD":

State of Utah

Division of Oil, Gas and Mining

Board of Oil, Gas and Mining

ATTACHMENTS:

A "DISTURBED AREA":

B "SURETY":

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Lisbon Valley Mining Company, LLC the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. M/037/088 which has been approved/accepted by the Utah State Division of Oil, Gas and Mining under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim that area described as the Disturbed Area as set forth and in accordance with Operator's approved/accepted Reclamation Plan or Notice, and Operator is obligated to provide surety in form and amount approved by the Division, to assure reclamation of the Disturbed Area.

NOW, THEREFORE, the Division and the Operator agree as follows:

1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations, the original Notice of Intent dated August 1995 and the original Reclamation Plan dated August 1995. The Notice of Intention and the Reclamation Plan, as amended, are incorporated by this reference and made a part hereof.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Division. Such surety as evidenced by the Surety Contract is in the form of the surety attached hereto as Attachment B and made a part hereof. The Surety Contract shall remain in full force and effect according to its terms unless modified by the Division in writing. If the Surety Contract expressly provides for cancellation, then, within 60 days following the Division's receipt of notice that the Surety Company intends to cancel the Surety Contract, the Operator shall provide a replacement Surety Contract in a form and amount reasonably acceptable to the Division. If the Operator fails to provide an acceptable replacement Surety Contract, the Division may order the Operator to cease further mining activities and to begin immediate reclamation of the Disturbed Area.
3. Operator agrees to pay legally determined public liability and property damage claims resulting from mining to the extent provided in Section 40-8-7(1)(e) of the Act.
4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
5. The Operator's liability under this Contract shall continue in full force and effect until the Division certifies that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.

6. If reclamation of discrete sections of the Disturbed Area is completed to the satisfaction of the Division, and the Division finds that such sections are severable from the remainder of the Disturbed Area, Operator may request the Division to certify that Operator has reclaimed such discrete sections of the Disturbed Area in accordance with the Act and Implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended. If the Division makes such certification, Operator may make request to the Division that the aggregate face amount of the Surety Contract provided pursuant to paragraph 2 be reduced to an amount necessary to provide for completion of the remaining reclamation. The Division shall hear Operator's request for such reduction in accordance with the Board's Procedural Rules concerning requests for Agency Action.
7. Operator agrees to indemnify and hold harmless the State, Board and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.
9. This Contract shall be governed and construed in accordance with the laws of the State of Utah.
10. If Operator shall default in the performance of its obligations hereunder, Operator agrees to pay all costs and expenses, including reasonable attorney's fees and costs incurred by the Division and/or the Board in the enforcement of this Contract.
11. Any breach that the Division finds to be material of the provisions of this Contract by Operator may, at the discretion of the Division, result in an order to cease mining operations. After opportunity for notice and hearing, the Board of Oil, Gas and Mining may enter an order to revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety Contract, or take such other action as is authorized by law.
12. In the event of forfeiture of the Surety Contract, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this Contract. Any excess monies resulting from forfeiture of the Surety Contract, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.

13. This Contract including the Notice of Intention, as amended and the Reclamation Plan, as amended, represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.
14. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

OPERATOR:

Lisbon Valley Mining Co. LLC

By: Summo USA Corporation, Manager

By: Gregory A. Hahn - President

Gregory A. Hahn  
Officer's Signature

July 28, 2004  
Date

STATE OF COLORADO )

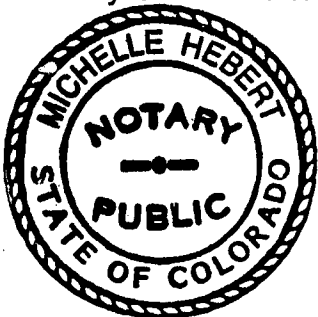
) ss:

COUNTY OF DENVER )

On the 28 day of July, 2004, Gregory A. Hahn personally appeared before me, who being by me duly sworn did say that he/she is the President of Summo USA Corporation, Manager of Lisbon Valley Mining Co. LLC and duly acknowledged that said instrument was signed on behalf of said company by authority of its bylaws or a resolution of its board of directors and said Gregory A. Hahn duly acknowledged to me that said company executed the same.

Michelle Hebert  
Notary Public  
Residing at Lakewood, CO

3-18-07  
My Commission Expires:



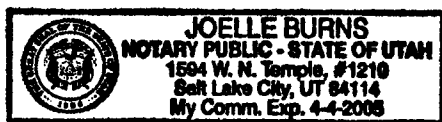
DIVISION OF OIL, GAS AND MINING:

By *Mary Ann Wright*  
Mary Ann Wright, Associate Director

Date *8/4/04*

STATE OF *Utah* )  
COUNTY OF *Salt Lake* ) ss:

On the *4<sup>th</sup>* day of *August*, 2004, *Mary Ann Wright*  
personally appeared before me, who being duly sworn did say that she, the said  
*Mary Ann Wright* is the Associate Director of the Division of Oil, Gas  
and Mining, Department of Natural Resources, State of Utah, and she duly acknowl-  
edged to me that she executed the foregoing document by authority of law on behalf of  
the State of Utah.



*Joelle Burns*  
Notary Public  
Residing at: *S LC Utah*

*April 4, 2005*  
My Commission Expires:



## ATTACHMENT "A"

Lisbon Valley Mining Co. LLC  
Summo USA Corporation, Manager  
(Operator)

Lisbon Valley Copper Project  
(Mine Name)

M/037/088  
(Permit Number)

San Juan County, Utah

### **The legal Description of the lands to be disturbed is:**

Approximately 2.57 acres from exploration drilling and monitoring wells located within:

Township 30 South, Range 25 East

SE ¼ and SW ¼, Section 25

NE ¼, Section 26

NE ¼, Section 35

NW ¼, Section 36

Township 31 South, Range 26 East

NE ¼, Section 5

Township 31 South, Range 25 East

NE ¼, Section 1

As described in the 1/19/99 "Well Locations" Map

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As amended to include approximately 1.14 acres of additional disturbance for groundwater exploration drilling within:

Township 30 South, Range 25 East

SE ¼, Section 23

NW ¼, SW ¼, SE ¼, Section 25

NE ¼, Section 26

NE ¼, SW ¼, SE ¼, Section 36

Township 31 South, Range 26 East

NW ¼, Section 6

As described and provided in the 7/14/00 Request and Map titled Groundwater Exploration Development dated 7/11/00

---

As amended to include approximately 2.17 acres from exploration drilling within:

Township 31 South, Range 25 East

NE ¼, Section 1

Township 31 South, Range 26 East

NW ¼, Section 6

As described and provided in the 9/23/03 Request and Map titled Fall 2003 Exploration Project Map.

---

As amended to include approximately 1.97 acres of additional disturbance for exploration drilling within:

Township 30 South, Range 25 East

SW ¼, Section 25

NW ¼, Section 36

As described and provided in the 3/08/04 Request and Map titled Centennial Pit Exploration Map dated 3/04/04.

---

As amended to include approximately 2.40 acres of additional disturbance for exploration drilling within:

Township 30 South, Range 25 East

SW ¼, Section 25

SE ¼, Section 26

NE ¼, Section 26

As described and provided in the 7/01/04 Request and Map titled Centennial Pit NW Exploration Map dated 6/29/04.

---

As amended to include approximately 6.42 acres of additional disturbance for a constructed laydown area within:

Township 30 South, Range 25 East  
SW ¼, Section 26

As described and provided in the 7/10/04 Request and Map (with Sketch) requesting approval for Crusher Laydown Area

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**LISBON VALLEY MINING CO. LLC**

**c/o SUMMO USA CORPORATION**

900 DENVER CENTER BUILDING

1776 LINCOLN STREET, DENVER, COLORADO 80203

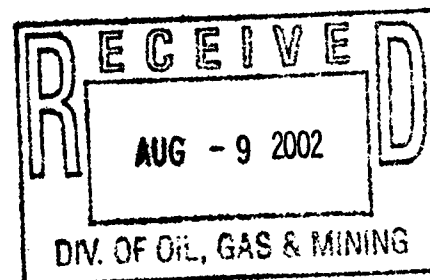
TELEPHONE: 303/861-5400 FAX: 303/863-1736

www.summominerals.com

Zions First National Bank

300 South Main Street

Moab, Utah 84532



August 2, 2002

Attention: Ms. Debe Haycock, Financial Service Representative

**Re: Reclamation Surety, Certificate of Deposit for the Lisbon Valley Copper Project Mine Site,  
M/037/088, San Juan County, Utah.**

**Account No. \_\_\_\_\_ Certificate of Deposit in the Principal Amount of \$124,200.00)**

Dear Sirs:

This letter describes the mutually agreed upon instructions of the below signed parties to Zions First National Bank (Bank), regarding the control, redemption, and release of Bank's above-described certificate of deposit (CD), which is being used as a surety to guarantee the availability of reclamation funds for the Lisbon Valley Copper Project mine site, San Juan County, Utah (Mine Site). It is the intention of the parties that the CD be utilized as surety to guarantee that \$124,200.00 in reclamation funds will be available to the State of Utah, Division of Oil, Gas & Mining (Division) upon demand in the event that the operator(s) of the Mine Site are unable or unwilling to complete reclamation of the Mine Site in compliance with state law and regulations including but not limited to Title 40-8-14(7), and Rules R647-4-114 & R647-5-101.

**Ownership and Renewal:**

Ownership of the CD is retained by Lisbon Valley Mining Co. LLC, a Utah limited liability corporation (Owner), but it is held by Bank for the benefit of the State of Utah, Division of Oil, Gas & Mining, and is subject to the terms and conditions described in this agreement. The CD shall automatically renew indefinitely until either redeemed or released by the Director of the Division.

**Redemption:**

The CD may only be redeemed (i.e., called on demand), pursuant to the written instruction or demand of the Director of the Utah Division of Oil, Gas & Mining. Upon the instruction and demand of the Director, the full initial amount of the CD shall be transferred to the State of Utah, Division of Oil, Gas and Mining. Owner agrees and irrevocably instructs Bank that neither the Owner, nor any other person claiming an ownership interest in the CD which is derived from the Owner, shall have the authority to prevent the Bank from carrying out the Director's instruction to redeem the CD. Upon redemption, any accrued interest in excess of the initial amount of the CD shall be transferred to Owner's control, or if Owner does not instruct the Bank, the accrued interest shall be reinvested in the CD. If a signature card is prepared, it shall be drafted consistent with the requirement that only the Director of the Division may redeem the CD.

**Release:**

The bank shall release the CD only upon the written instruction of the Director of the Division to the Bank. Upon release, the terms and conditions of this agreement shall be no longer in effect, and the unconditioned control of the CD shall be returned to the Owner, or its legal successor-in-interest.

**Accrued Interest:**

Prior to release or redemption, all interest which accrues to the CD shall be 1) dispersed quarterly to the Owner as the Owner may instruct the Bank, or 2) shall be reinvested in the CD until such time the Owner may instruct the Bank where to transfer such interest. In no event shall the Bank transfer any amount from the CD that would cause the redemption amount of the CD to be less than the initial amount, being \$124,200.00. All tax liabilities for accrued interest shall remain the sole responsibility of the Owner.

**Bank will not be held liable for any dispute between the parties.**

Agreed Upon By:

Lowell P. Braxton  
Lowell P. Braxton, Director  
Utah Division of Oil, Gas & Mining

Date: 8/27/02

**LISBON VALLEY MINING CO. LLC**  
By: **SUMMO USA CORPORATION, Manager**

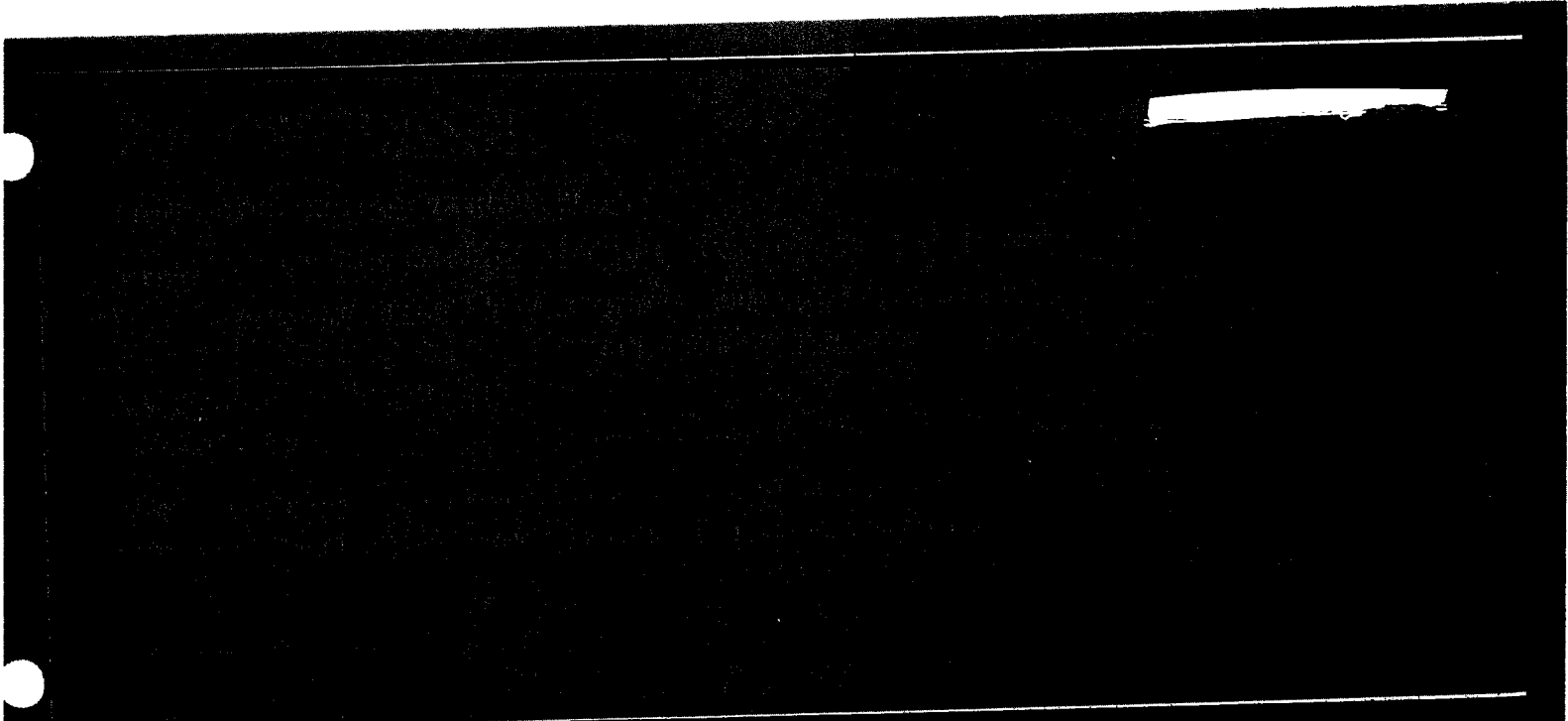
By: J. Christopher Mitchell  
J. Christopher Mitchell, Executive Vice President  
Tax ID Number: 9

Date: August 2, 2002

**ZIONS FIRST NATIONAL BANK**

By: Connie Sheffer  
Connie Sheffer P.C.S.M.  
[Insert Name and Title of Bank Officer]

Date: 08-05-02





OLENE S. WALKER  
Governor  
GAYLE F. McKEACHNIE  
Lieutenant Governor

State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
Division of Oil, Gas & Mining

ROBERT L. MORGAN  
Executive Director

LOWELL P. BRAXTON  
Division Director

March 18, 2004

RECEIVED  
MAY 25 2004  
DIV OF OIL GAS & MINING

Wells Fargo Bank  
1050 17<sup>th</sup> Street  
Denver, Colorado 80265  
(303) 899-4604

Attention: Tom Monroe, Retail Banker

Subject: Reclamation Surety, Certificate of Deposit for the Lisbon Valley Copper Project Mine Site,  
M/037/088, San Juan County, Utah  
Certificate of Deposit no. \_\_\_\_\_; Principal Amount \$12,100.00

This letter describes the mutually agreed upon instructions of the below signed parties to Wells Fargo Bank ("Bank"), regarding the control, redemption, and release of Bank's above-described certificate of deposit ("CD"), which is being used as a surety to guarantee the availability of reclamation funds for the Lisbon Valley Copper Project mine site ("Mine Site"), San Juan County, Utah. It is the intention of the parties that the CD be utilized as surety to guarantee that \$12,100.00 in reclamation funds will be available to the State of Utah, Division of Oil, Gas & Mining ("Division") and the USDOl, Bureau of Land Management ("BLM") and the School and Institutional Trust Lands Administration ("SITLA") upon demand in the event that the operator of the Mine Site are unable or unwilling to complete reclamation of the mine site in compliance with applicable state law and regulations.

**Ownership and Renewal:**

Ownership of the CD is retained by Lisbon Valley Mining Co., LLC, a Utah limited liability corporation, ("Owner"), but it is held by Bank for the benefit of the State of Utah, Division of Oil, Gas & Mining, USDOl, BLM and SITLA and is subject to the terms and conditions described in this agreement. The CD shall automatically renew indefinitely until either redeemed or released by the Director of the Division and the authorized officer of USDOl, BLM and SITLA.

**Redemption:**

The CD may only be redeemed (i.e., called on demand), pursuant to the written instruction or demand of the Director of the Utah Division of Oil, Gas & Mining, the authorized officer of USDOl, BLM and SITLA to the Bank. Upon the instruction and demand of the Director, the authorized officer of USDOl, BLM, and SITLA, the full initial amount of the CD shall be transferred to the State of Utah, Division of Oil, Gas and Mining. Owner agrees and irrevocably instructs Bank that neither the Owner, nor any other person claiming an ownership interest in the CD which is derived from the Owner, shall have the authority to prevent the Bank from carrying out the Director's instruction to redeem the CD. Upon redemption, any accrued interest in excess of the initial amount of the CD shall be transferred to Owners control, or if Owner does not instruct the Bank, the accrued interest shall be reinvested in the CD. If a signature card is prepared, it shall be drafted consistent with the requirement that only the Director of the Division, the authorized officer of USDOl, BLM and SITLA may redeem the CD.

**Release:**

The bank shall release the CD only upon the written instruction of the Director of the Division, the authorized officer of USDOl, BLM and SITLA to the Bank. Upon release, the terms and conditions of this agreement are no longer in effect, and the unconditioned control of the CD shall be returned to the Owner, or their legal successors-in-interest.

**Accrued Interest:**

Prior to release or redemption, all interest which accrues by the CD shall be 1) dispersed quarterly to the Owner as the Owner may instruct the Bank, or 2) shall be reinvested in the CD until such time the Owner may instruct the Bank where to transfer such interest. In no event shall the Bank transfer any amount from the CD which would cause the redemption amount of the CD to be less than the initial amount, \$12,100.00. All tax liabilities for accrued interest shall remain the sole responsibility of the Owner.

**Bank will not be held liable for any dispute between the parties.**



# Time Account Receipt/Disclosure

Bank name

Wells Fargo Bank, N.A.

Time Account number

Date opened

04/28/2004

Term of Time Account

12 months days

Maturity date

Your Time Account will mature on

04/28/2005

Interest rate

0.90

Fixed rate

X

Variable rate

Annual percentage yield

0.90

Interest will be paid

EVERY 03 MONTHS AND AT WITHDRAWAL

The method of interest payment will be

BY CREDITING CHECKING

ACCT NO.

Renewability

Taxpayer Identification Number (TIN)

YOU WILL AUTOMATICALLY RENEW MY TIME ACCOUNT  
AT MATURITY UNLESS I NOTIFY YOU OTHERWISE.

The Bank is opening the above described Time Account for your deposit of

TWELVE THOUSAND ONE HUNDRED AND 0/100

\$ 12,100.00

Your name and address

LISBON VALLEY MINING LLC FOR THE BENEFIT OF THE STATE OF UTAH  
DIVISION OF OIL, GAS, AND MINING & U.S. DEPT OF INTERIOR  
BLM & UT SITLA  
1594 WEST NORTH TEMPLE, SUITE 1210  
SALT LAKE CITY UT 84114-5801

04/28/2004 14:15

K5123 01029 Bank# 00163

This is a receipt. It need not be presented at the time you obtain payment from the Bank.

W60168

Agreed Upon By:

**Utah Division of Oil, Gas & Mining**

By: Lowell P. Braxton  
Lowell P. Braxton, Director

Date: 5/12/04

**Bureau of Land Management**

By: signature on this cover letter  
no longer required  
Robert Lopez, Branch Chief of Minerals Adjudication

Date: \_\_\_\_\_

**School and Institutional Trust Lands Administration**

By: signature on this cover letter  
no longer required  
Kevin Carter, Director \*as per personal communication  
with Tom Faddies, TLA Mineral Specialist

Date: \_\_\_\_\_

**Lisbon Valley Mining Co, LLC**

By: **Summo USA Corporation, Manager**

By: John Labate  
John Labate, VP Finance  
Tax ID Number: \_\_\_\_\_

Date: 4/28/04

**Wells Fargo Bank**

By: Tom Monroe  
Tom Monroe, Retail Banker

Date: 4/30/04



OLENE S. WALKER  
Governor  
GAYLE F. McKEACHNIE  
Lieutenant Governor

State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
Division of Oil, Gas & Mining

ROBERT L. MORGAN  
Executive Director

LOWELL P. BRAXTON  
Division Director

July 26, 2004

Wells Fargo Bank  
1050 17<sup>th</sup> Street  
Denver, Colorado 80265  
(303)-899-4619

RECEIVED

JUL 28 2004

DIV OF OIL GAS & MINING

Attention: Lance Goerndt, Retail Banker

Subject: Reclamation Surety, Certificate of Deposit for Lisbon Valley Copper Project Mine Site,  
M/037/088, San Juan County, Utah  
Certificate of Deposit no. \_\_\_\_\_; Principal Amount \$26,000.00.

This letter describes the mutually agreed upon instructions of the below signed parties to Wells Fargo Bank ("Bank"), regarding the control, redemption, and release of Bank's above-described certificate of deposit (CD), which is being used as a surety to guarantee the availability of reclamation funds for the Laydown Area Reclamation/portion of the Lisbon Valley Copper Project mine site, San Juan County, Utah (Mine Site). It is the intention of the parties that the CD be utilized as surety to guarantee that \$26,000.00 in reclamation funds will be available to the State of Utah, Division of Oil, Gas & Mining (Division) upon demand in the event that the operator(s) of the Mine Site are unable or unwilling to complete reclamation of the mine site in compliance with applicable state law and regulations.

**Ownership and Renewal:**

Ownership of the CD is retained by Lisbon Valley Mining Company, a Limited Liability Corporation ("Owners"), but it is held by Bank for the benefit of the State of Utah, Division of Oil, Gas & Mining and is subject to the terms and conditions described in this agreement. The CD shall automatically renew indefinitely until either redeemed or released by the Director of the Division.

**Redemption:**

The CD may only be redeemed (i.e., called on demand), pursuant to the written instruction or demand of the Director of the Utah Division of Oil, Gas & Mining to the Bank. Upon the instruction and demand of the Director, the full initial amount of the CD shall be transferred to the State of Utah, Division of Oil Gas and Mining. Owners agree and irrevocably instruct Bank that neither the Owner(s), nor any other person claiming an ownership interest in the CD which is derived from the Owners, shall have the authority to prevent the Bank from carrying out the Director's instruction to redeem the CD. Upon redemption, any accrued interest in excess of the initial amount of the CD shall be transferred to Owners control, or if

Owners do not instruct the Bank, the accrued interest shall be reinvested in the CD. If a signature card is prepared, it shall be drafted consistent with the requirement that only the Director of the Division may redeem the CD.

**Release:**

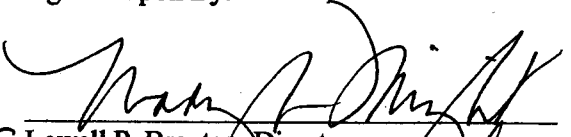
The bank shall release the CD only upon the written instruction of the Director of the Division to the Bank. Upon release, the terms and conditions of this agreement are no longer in effect, and the unconditioned control of the CD shall be returned to the Owners, or their legal successors-in-interest.

**Accrued Interest:**

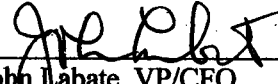
Prior to release or redemption, all interest which accrues by the CD shall be 1) dispersed quarterly to the Owner(s) as the Owner(s) may instruct the Bank, or 2) shall be reinvested in the CD until such time the Owner(s) may instruct the Bank where to transfer such interest. In no event shall the Bank transfer any amount from the CD which would cause the redemption amount of the CD to be less than the initial amount, \$26,000.00. All tax liabilities for accrued interest shall remain the responsibility of the Owners.

**Bank will not be held liable for any dispute between the parties.**

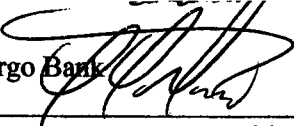
Agreed Upon By:

for  Date: August 4, 2004  
Lowell P. Braxton, Director  
Utah Division of Oil, Gas & Mining *Associate Director, Mining*

Lisbon Valley Mining Company, LLC  
By: Summo USA Corporation, Manager

By:   
John Labate, VP/CFO  
Tax ID Number: \_\_\_\_\_

Date: 7/26/04

Wells Fargo Bank  
By:   
Name: \_\_\_\_\_ Title: \_\_\_\_\_

Date: 7/27/04

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# Time Account Receipt/Disclosure

Bank name

Wells Fargo Bank , N.A.

Time Account number

Date opened

07/27/2004

Term of Time Account

12 months days

Maturity date

Your Time Account will mature on

07/27/2005

Interest rate

1.39

Fixed rate

X

Variable rate

Annual percentage yield

1.40

Interest will be paid

EVERY 03 MONTHS AND AT WITHDRAWAL

The method of interest payment will be

BY CREDITING CHECKING

ACCT NO.

Renewability

Taxpayer Identification Number (TIN)

YOU WILL AUTOMATICALLY RENEW MY TIME ACCOUNT

AT MATURITY UNLESS I NOTIFY YOU OTHERWISE.

The Bank is opening the above described Time Account for your deposit of

TWENTY SIX THOUSAND AND 0/100

\$ 26,000.00

Your name and address

LISBON VALLEY MINING LLC FOR THE BENEFIT OF THE STATE OF  
UTAH DIVISION OF OIL, GAS AND MINING  
1594 WEST NORTH TEMPLE, SUITE 1210  
SALT LAKE CITY UT 84114-5801

07/27/2004 09:21

K9624 01029 Bank# 00163

This is a receipt. It need not be presented at the time you obtain payment from the Bank.